

SB 1863 (Senator Bowen) - Telecommunications Services

As Amended April 1, 2002

Recommendation: Support

Summary: This bill would include in the Legislature's stated policies for telecommunications to focus efforts on providing educational institutions, health care institutions, community based organizations, and governmental institutions with access to advanced telecommunications services in recognition of their economic and societal impact.

Comments: This bill is designed to open the discussion on who should be allowed to apply to the CTF for grants and what types of grants (and discounts) those applicants should be allowed to receive.

Analysis: Current law establishes the policy of "universal telephone service." Current regulations provide for the California Teleconnect Fund, which provides discounted telephone service to schools, libraries, health care institutions, and community-based organizations.

California has a long history of encouraging the widespread deployment of telecommunications service. A number of programs exist to subsidize telephone service in rural areas, for the deaf and handicapped, and for the poor.

The California Teleconnect Fund (CTF), currently budgeted at \$57.125 million annually and funded by a 0.31 percent surcharge on telephone bills, provides funding for telephone service discounts of 50 percent to schools, libraries, and 25 percent to community-based organizations. Since its inception, more than 99 percent of the program funds have gone to discounts for schools and libraries.

This bill establishes state policy to focus efforts on providing educational institutions, health care institutions, community based organizations, and governmental institutions with access to advanced telecommunications services in recognition of their economic and societal impact.

The Commission is currently finalizing a report based on an Order Instituting Rulemaking to determine the feasibility of expanding the definition of basic service to include advanced technologies. The record in this proceeding contains policy proposals to expand community-based access.

Legislative Staff Contact:

Maria Bondonno, Staff Counsel
CPUC- OGA
Bill Julian, Legislative Director
CPUC- OGA

bon@cpuc.ca.gov
(916) 324-8689
bj2@cpuc.ca.gov
(916) 327-1407

Date: April 17, 2002

Bill Language

BILL NUMBER: SB 1863 AMENDED
BILL TEXT

AMENDED IN SENATE APRIL 1, 2002

INTRODUCED BY Senator Bowen

FEBRUARY 22, 2002

An act to amend Section ~~882~~ 709 of
the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1863, as amended, Bowen. Telecommunications services.

Existing law declares the Legislature's policies for telecommunications in California.

This bill would include, in the Legislature's policies for telecommunications in California, providing educational institutions, health care institutions, community based organizations, and governmental institutions with access to advanced telecommunications services in recognition of their economic and societal impact.

~~Existing law requires the Public Utilities Commission to open a proceeding, or as part of existing proceedings, to consider ways to ensure that advanced telecommunications services are made available as ubiquitously and economically as possible to California's citizens, institutions, and businesses. Existing law requires the commission, in the proceeding or proceedings, to develop rules, procedures, orders, or strategies that seek to provide the state's educational and health care institutions with access to advanced communications services.~~

~~This bill would also require the commission to develop rules, procedures, orders, or strategies that seek to provide the state's nonprofit community technology centers with access to advanced communications services.~~

Vote: majority. Appropriation: no. Fiscal committee:
~~yes~~ no . State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

~~SECTION 1. Section 882 of the Public Utilities Code is~~

SECTION 1. Section 709 of the Public Utilities Code is amended to read:

709. The Legislature hereby finds and declares that the policies for telecommunications in California are as follows:

(a) To continue our universal service commitment by assuring the continued affordability and widespread availability of high-quality telecommunications service to all Californians.

(b) *To focus efforts on providing educational institutions, health care institutions, community based organizations, and governmental institutions with access to advanced telecommunications services in recognition of their economic and societal impact.*

(c) To encourage the development and deployment of new technologies and the equitable provision of services in a way which efficiently meets consumer need and encourages the ubiquitous availability of a wide choice of state-of-the-art services.

~~—(e)~~

(d) To promote economic growth, job creation, and the substantial social benefits that will result from the rapid implementation of advanced information and communications technologies by adequate long-term investment in the necessary infrastructure.

~~—(d)~~

(e) To promote lower prices, broader consumer choice, and avoidance of anticompetitive conduct.

~~—(e)~~

(f) To remove the barriers to open and competitive markets and promote fair product and price competition in a way that encourages greater efficiency, lower prices, and more consumer choice. ~~—amended to read:~~

~~—882. (a) The Public Utilities Commission shall, as soon as practicable, open a proceeding or proceedings to, or as part of existing proceedings shall, consider ways to ensure that advanced telecommunications services are made available as ubiquitously and economically as possible, in a timely fashion, to California's citizens, institutions, and businesses. The proceeding or proceedings should be completed within one year of commencement.~~

~~—(b) The proceeding or proceedings shall develop rules, procedures, orders, or strategies, or all of these, that seek to achieve the following goals:~~

~~—(1) To provide all citizens and businesses with access to the widest possible array of advanced communications services.~~

~~—(2) To provide the state's educational institutions, health care~~

~~institutions, and nonprofit community technology centers with access to advanced communications services.~~

~~—(3) To ensure cost effective deployment of technology so as to protect ratepayers' interests and the affordability of telecommunications services.~~

~~—(c) In the proceeding or proceedings, the commission should also consider, but need not limit its consideration to, all of the following:~~

~~—(1) Whether the definition of universal service should be broadened.~~

~~—(2) How to encourage the timely and economic development of an advanced public communications infrastructure, which may include a variety of competitive providers.~~